

News and Information

from the Tennessee Division of Consumer Affairs

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CONTEST ENTRY FORMS MAY BE RUSE TO SELL SOMETHING, SWITCH LONG DISTANCE TELEPHONE SERVICE

While the chance to win a new car, exotic trip or cash may sound exciting, what sometimes comes with your contest entry is nothing but a gimmick to sell you something you hadn't planned on buying.

With county and state fairs making the rounds across the state this month, Tennessee Attorney General Paul G. Summers is urging consumers to be careful about entering contests without carefully reading the entry form.

"The state and county fairs are just one of many outlets some unscrupulous marketers use to get your business, often without your knowledge," Attorney General Summers explained. "You may find entry boxes for these so-called contests at not only the fair, but also convenience stores, the mall, restaurants or anywhere crowds tend to gather.

"Obviously, there are numerous legitimate contests, and we are not concerned with those. Our primary interest is with those advertisers who are being unfair or deceptive to get new customers."

Tennessee has had cases in the past where consumers' long distance telephone service was switched when they signed up for a contest. In the last two years, the Tennessee Attorney General's Office and Tennessee Division of Consumer Affairs entered settlement agreements with at least two companies accused of enticing consumers to enter a contest for cash prizes then allegedly using the information to switch their long distance telephone service. In those cases, the entry boxes were placed in a number of stores throughout the state.

In some cases, information about consumers taken from the contest entry forms has been used to compile a "lead list" of consumers for telemarketers to call. "A deceptive telemarketer can take the information you provided on your entry form to know how often you shop, what you purchase, whether you have a credit card, your telephone number, address and other personal information," Summers said. "That information can then be used for everything from trying to sell you something to stealing your identity. The best advice is to just be careful about what information you give on one of those forms to enter a contest or giveaway."

Tennessee's Prize, Gift and Award Law mandates all conditions and restrictions associated with a prize be clearly disclosed on the entry form. The Tennessee Attorney General offers the following tips to avoid becoming a victim of deceptive marketing practices:

- Make sure you inform your children not to enter you in contests or drawings without showing you the entry form.

- Carefully read all the fine print on any entry form, including the back of the form. Sometimes, the fine print commits you to do certain things like switch your long distance service, pay certain fees or enter into a long term contract.
- Don't provide private information on entry forms. For example, don't provide your social security number, checking account number or credit card numbers to enter a contest. That information can be used to steal your identity.
- Remember if it is really a contest giveaway you should not have to pay anything to enter.
- If you don't like to receive solicitation calls or mailings from people you don't know, you should think twice about entering contests or drawings because contests are often used to create marketing lists for future sales contacts.
- Make sure it is a contest giveaway. Sometimes it is just a mechanism to solicit customers to call to sell products to and the entry forms aren't really entry forms.
- If you have had a problem with a contest promotion, you can file a complaint with the Division of Consumer Affairs at 500 James Robertson Parkway, Fifth Floor, Nashville, TN 37243.